# GOVERNMENT OF INDIA
# CIVIL AVIATION
# LOK SABHA

STARRED QUESTION NO:440
ANSWERED ON:22.12.2005
HIKE IN AIR FARE
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**Will the Minister of CIVIL AVIATION be pleased to state:**

(a) whether Air India (AI) and Indian Airlines (IA) have increased their fare in the recent past in view of the hike in Aviation Turbine Fuel (ATF) prices;

(b) if so, the details of the ATF prices before increase of the air fares;

(c) whether Public Sector Oil Companies have recently slashed ATF prices;

(d) if so, whether AI/IA proposes to share such reduction with its passengers;

(e) if so, the details in this regard; and

(f) if not, the reasons therefor?

## Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF CIVIL AVIATION ( SHRI PRAFUL PATEL )

(a),(b), (c), (d), (e) and (f): A Statement is laid on the Table of the House.

(a): While Air India has not revised the airfares, a marginal adjustment in fuel surcharge is done from time to time depending on the cost of ATF, Indian Airlines has increased fare by 10% (effective October, 2005) to offset the increase in the cost of operations due to increase of ATF prices.

(b): The ATF price movement since April, 2005 is as under:

| Month | Price(Rs.per Kilo Litre) |
|---|---|
| April, 2005 | 32250 |
| May, 2005 | 34800 |
| June, 2005 | 31550 |
| July, 2005 | 33500 |
| August, 2005 | 34100 |
| September, 2005 | 36700 |
| October, 2005 | 38400 |

(c), (d), (e) and (f): Though the average price of ATF has declined to Rs.33,550/KL in December 2005, even this price continues to be about 22% higher than the average price of Rs.27500 in 2004-05. As such, there is no proposal for the time being, to reduce fares.